

Opening Statement of Chairman Tom Davis

“Assessing the Department of Homeland Security’s Mission Effectiveness: Is it Enough to Meet the Terrorist Threat?”

June 9, 2005

10:00 a.m.

2157 Rayburn House Office Building

Good morning. I want to welcome everyone to today’s hearing. We are privileged to have Michael Chertoff, Secretary of the Department of Homeland Security, with us today. The purpose of this hearing is to get the Secretary’s assessment of the Department of Homeland Security’s overall effectiveness in meeting its core mission -- specifically its operations, management, and opportunities for performance improvement, as well as discuss our concerns about how certain programs are being implemented in the Department.

The Department of Homeland Security was created in response to the terrorist attacks of 9/11. The formation of the new Department constituted the most massive government reorganization since 1947. It integrated 23 separate agencies and bureaus, employs over 180,000 people, has a budget of \$38.5 billion for Fiscal Year 2005 and a proposed budget of \$41.1 billion for Fiscal Year 2006, and spends an estimated \$11 billion on contracted services. It is an enormous undertaking to put together this new Department and make it work. This Committee has a direct interest in assessing the effective integration of the 23 agencies into one single Department.

The wide-reaching mission of DHS is critical to the safety of the nation. The ultimate objective is to protect the American people from future terrorist attacks and to respond to natural disasters. The war that threatens our country, and every civilized country, has the historic combat component, and our troops show every day just how effective the United States is in conventional combat. We have no peers in this arena.

But America’s enemies today do not confine themselves to conventional combat alone. They target communities, schools and civilians. They fly planes into buildings and take great pride in the murder and maiming of scores and scores of innocent men, women and children. Combat soldiers, no matter how brave or well equipped, are not the optimal weapon in this environment.

This Committee has responsibility for assuring that areas such as personnel management, agency organization and integration, procurement and particularly utilization of technology, information sharing, and information security are receiving adequate attention and that Congressional policies on these issues are being implemented throughout DHS. With the huge investment of government resources and the critical nature of the Department’s mission, it’s our job to determine how well the Department is functioning to meet the terrorist threat and to provide adequate protection to our citizens.

Secretary Chertoff initiated a comprehensive review of DHS' organization, operations and policies shortly after he became Secretary. Known as the "Second Stage Review," this evaluation is not yet complete, but the exercise signals a recognition that additional work is needed to fully integrate and coordinate the disparate entities that comprise the new Department. I welcome the results of this review. Since its ultimate recommendations will most certainly affect issues of vital interest to this Committee, I look forward to further discussions with the Secretary as this review progresses.

I am heartened to know that Secretary Chertoff's approach to the organization and operation of DHS is to integrate the areas of intelligence, policy, and operations. As we exercise the oversight responsibility of the Government Reform Committee, it is important to focus on all three of these areas, not just the first. Intelligence gathering is critical, but how that intelligence is evaluated and acted upon depends on whether the Department performs each of its critical missions.

The optimal weapon is information:

- Information moved to the right people at the right place at the right time;
 - Information moved within agencies and across departments; and
 - Information moved across jurisdictions of government as well.
- Seamlessly. Securely. Efficiently.

The homeland security battle therefore is not just about intelligence, but what we do with it.

We need to be able to identify terrorist threats and defeat them. Our success depends on collecting, analyzing, and appropriately sharing information found in databases, transactions, and other sources. This Committee has long been concerned about the lack of information sharing and analysis within the government and among the relevant public and private sector parties. This Committee was heavily involved in the information sharing portions of the Intelligence Reform legislation, requiring the President to establish an Information Sharing Environment within the federal government to share information and better protect our nation from further attacks. I am interested in learning how the Department is addressing this important issue.

Although I had initial concerns, I supported the elevation of the Assistant Secretary for Cybersecurity within DHS. The White House, through the Office of Management and Budget, has oversight of government-wide information policies. The Assistant Secretary should bring focus to this issue within DHS. However, this individual should not sit at the center of all federal agencies and direct and control their policies on information sharing and cybersecurity. That has been, and should remain, an issue for the White House. There's an important difference between operational authority and policy authority.

Another area of Committee oversight is the status of the implementation of the new personnel system at the Department. In the Homeland Security Act of 2002, Congress gave the Secretary and the Director of the Office of Personnel Management authority to establish a new, department-wide human resources management system,

rather than simply cobbling together the dozens of pre-existing personnel systems. I am interested in hearing about the implementation of the new system from the Secretary, including funding issues.

The Committee continues to monitor DHS' integration of acquisition functions across its 23 agencies. A recent Government Accountability Office report found several successes in DHS' implementation, but also a number of significant challenges. I will be anxious to hear from the Secretary about DHS' efforts to implement GAO recommendations to strengthen centralized procurement policies and practices throughout the Department.

The Committee is concerned about the performance of the U.S. Citizenship and Immigration Services. There have been mounting issues of coordination and efficiency in the many processes used by this agency to accomplish its mission,, particularly in its information technology systems. I am concerned that many legal immigrants, the people who follow the rules we've established for entering this country and the kind of people we want to welcome to America, are falling through the cracks of a broken immigration system.

The Committee is also launching an aggressive review of the U.S. Visitor and Immigrant Status Indication Technology (US VISIT) program being implemented by DHS. A fully functional US VISIT system will go a long way toward securing our borders from terrorists. During the implementation phase, I want to make sure that US VISIT will help secure our borders without disrupting the nation's travel or commerce. Balance is paramount.

In addition, the Committee has held hearings on the Department's implementation of the Support Anti-Terrorism by Fostering Effective Technologies Act of 2002, or the SAFETY Act, which was enacted to provide incentives for the development and deployment of anti-terrorism technologies. I have expressed concern about the pace of implementing the application process and conferring designations, as well as the burdensome effect of the process on applicants and the lack of coordination with the procurement process. I was glad to see Secretary Chertoff acknowledge that problems existed with the implementation of the SAFETY Act and that he is committed to making sure the intent of Congress is followed.

The Committee looks forward to hearing from Secretary Chertoff on these and other areas of interest to the Committee. I want to once again welcome you and thank you for being here today.